Department of Natural Resources

DIVISION OF OIL AND GAS

550 W. 7th Avenue Suite 1100 Anchorage, Alaska 99501-3560 Main: 907.269.8800 Fax: 907.269.8939



GOVERNOR BILL WALKER

October 1, 2018

Jessika Gonzalez Permitting Coordinator ConocoPhillips Alaska, Inc. PO Box 100360 Anchorage, AK 99510

RE: LONS 83-100, ConocoPhillips Alaska, Inc., Kuparuk River Unit, Kuparuk Industrial Center, Equipment Tent, Unit Plan of Operations Amendment Decision.

Dear Ms. Gonzalez:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Kuparuk River Unit (KRU). Plan of Operations (Plan) amendment application dated September 11, 2018 for the above referenced project.

Scope:

ConocoPhillips Alaska, Inc. (CPAI) requests authorization to install a new 100 feet by 50 feet equipment tent and excavate a trench on the Kuparuk Industrial Center (KIC) pad in the KRU. The purpose of the trench is to run powerlines from the C washbay to the equipment tent. The trench will measure approximately 225 feet long, 12 feet wide, and 4 feet deep and backfilled with the same material generated from excavation. Prior to installing the new equipment tent, approximately 185 yards of gravel at about 12 inches deep will be excavated at the tent location. A liner and insulation will be placed, and the excavated gravel will be replaced. All work will be performed on-pad. Construction equipment will include an excavator and skid-steer loader. Project work is expected to begin in October 2018 and be completed by December 2018.

Plan activities include:

- Excavate trench and tent location
- Place conduit and powerlines
- Place insulation and liner •
- Erect equipment tent

Location information:

Kuparuk River Unit KIC

Meridian: Umiat Township: 11N Lat. 70.3410840, Long. -149.5802716 DD ADL(s): 025641 Range: 8E

Section: 1

The project area is located approximately 1 mile northeast of Central Processing Facility 1 in the KRU.

Agency Courtesy Notice:

The Division provided an agency review and comment opportunity for the activities considered for authorization under this decision. The following government entities were notified on September 19, 2018 for comment on the Plan: Alaska Department of Fish and Game (ADFG), and DNR: Division of Mining Land and Water. No comments were received. As a courtesy, the application was circulated to the Alaska Department of Fish and Game (ADF&G) and the Division of Mining, Land & Water (DMLW). No comments were received.

Conditions/Stipulations:

1. A certified As-Built survey of the activity shall be provided within one year of placement of the improvement. This As-Built must be both digital and hard copy.

Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the KRU agreement for conformance.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after issuance of the decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on October 1, 2021. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist Paul Blanche at (907) 269-8570 or emailed to paul.blanche@alaska.gov.

Sincerely,

attrance J. Swerg

Nathaniel G. Emery Natural Resource Specialist

Attachments: 2018 North Slope Areawide Mitigation Measure Figures 1-3

ecc: DOG: Graham Smith, Nathaniel Emery, James Hyun, and Mark Henspeter DMLW: Melissa Head, Kimberley Maher, Becky Baird ADF&G: Jack Winters ADEC: dec.water.oilandgas@alaska.gov NSB: Jason Bergerson, Josic Kaleak, Matt Dunn





